FEBRUARY 1965 EDITION GENERAL SERVICES ADMINISTRATION FPR (41CFR) 1D16.601

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE:

JUL 2 0 2005

LEASE #GS-11B-01808

THIS LEASE, made and entered into this date between VA – 1616 North Ft. Myer L.L.C. Whose address is: c/o Equity Office Properties Trust

Two North Riverside Plaza
Chicago, IL 60606

And whose interest in the property hereinafter described is that of OWNER, hereinafter called the LESSOR, and the UNITED STATES OF AMERICA, hereinafter called the Government.

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of 47,198 Rentable Square Feet (RSF) being 42,124 ANSI BOMA Office Area Square Feet (BOASF), and being all of the Eighth Floor (16,529 BOASF / 18,509 RSF), all of the Sixth Floor (16,529 BOASF / 18,509 RSF) and a portion of the First Floor (9,066 BOASF / 10,180 RSF) of the building known as 1616 North Fort Myer Drive, as noted on the attached floor plan and made part hereof, with the address being 1616 North Fort Myer Drive, Arlington, VA 20036. Also included in the leased premises are 75 unreserved parking spaces.

To be used for office and related purposes as determined by the Government.

- 2. TO HAVE AND TO HOLD the said premises with their appurtenances for the five (5) YEAR FIRM term beginning on the commencement date determined in accordance with section 2.13 "Construction Schedule of Tenant Improvements" of the SFO, and ending five (5) years later, subject the renewal right hereinafter set forth.
- 3. The Government shall pay the Lessor an annual rent of \$1,619,390.44 (\$36.31/BOASF [\$35.81 + \$.50 daytime cleaning] for floors 6 & 8 plus \$34.31/BOASF [\$33.81 + \$.50 daytime cleaning] for Floor 1 plus \$108,000 for parking) at the rate of \$134,979.20 per MONTH in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base of \$108,000 for 75 unreserved parking spaces and \$168,496.00 to amortize a tenant improvement allowance of \$842.480.00 (\$20.00/BOASF) at zero percent (0%) annual interest. The operating cost base includes the daytime cleaning premium. The cost for parking shall escalate at a rate of 3% per annum, per Solicitation Attachment #1 Rate Structure. Rent checks shall be payable to VA 1616 North Fort Myer Limited Partnership at the address shown above.
- 4. The government may terminate this lease at any time by giving at least _____ days notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.
- 5. This lease may be renewed at the option of the Government, for the following term and at the following rental:

The Government shall have the right to one (1) renewal option for a FIVE-YEAR TERM at an annual rental rate of \$1,678,716.04 (\$37.31/BOASF [\$36.81/BOASF + \$.50/BOASF daytime cleaning] for floors 6 & 8 plus \$35.31/BOASF [\$34.81/BOASF + \$.50/BOASF daytime cleaning] for Floor 1 plus \$125,201.60 for parking), payable at the rate of \$139,893.01 per month in arrears, plus cumulative operating expense adjustments from the initial lease term. Such rate shall be inclusive of the original operating cost base year and base amount, and base year real estate taxes. Rent shall continue to be adjusted for operating costs escalations as provided in SFO 04-035. The Government shall continue to make annual lump sum adjustments for changes in real estate taxes as provided in SFO 04-035. The cost for parking shall continue to escalate at a rate of 3% per annum, per Solicitation Attachment #1 – Rate Structure. The renewal option shall become effective provided notice be given in writing to the Lessor at least 180 days before the end of the original lease term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.

LESSOR GOV'T

(rev. 7/18/2005)

- 6. The Lessor shall furnish to the Government, as part of the rental consideration, the following: EXCEPT AS SET FORTH BELOW OR ELSEWHERE IN THIS LEASE, ALL SERVICES, IMPROVEMENTS, ALTERATIONS, REPAIRS, AND UTILITIES AS DEFINED BY THIS LEASE. THIS LEASE IS FULL SERVICE.
- a) Prior to substantial completion of the leased premises, Lessor shall correct all deficiencies and comply with all recommendations and findings of Attachment #4, Fire Protection & Life Safety Evaluation report prepared by a Certified Fire Protection Engineer, as well as the recommendations and findings of the GSA Fire Protection Engineering Section's review of the report dated October 30, 2003 and attached hereto.
- b) Tenant Improvements: Upon completion of improvements by Lessor and acceptance thereof by the Government, the cost of improvements shall be memorialized in a Supplemental Lease Agreement (SLA) along with the amortization payment amount and revised rent. In the event the total cost of tenant improvements is greater or less than \$20 /BOASF, the rent shall be adjusted accordingly. (See SFO Section 9.2(3)) Tenant improvements financed by the Lessor above the initial \$20.00 per BOASF shall be amortized at the annual interest rate of Notwithstanding any provisions of the SFO to the contrary, the Government shall not amortize more than (b) (4) (b) (4) in tenant improvements. Any tenant improvements funded by the Lessor in excess of this amount shall be repaid by the Government via lump sum payment. Refer to Form 1364, Attachment 1, regarding maximum fees payable by the Government for improvements and change orders.
- c) Daytime Cleaning: Lessor shall cause all janitorial work in the Government's space to be performed between 8:30 am and 4:30 pm, Monday through Friday.
- e) The Government's percentage of occupancy for real estate tax purposes shall be 16.12%, based on 47,198 RSF / 292,826 RSF, subject to confirmation of the total rentable area of the entire building.
- f) The general contractor's total fees for overhead and profit and the Lessor's total construction management fees for the Tenant Improvements for the Government's space shall be 17% plus architectural and engineering fees of \$2.50/BOASF on tenant improvements up to \$20/BOASF and \$4.00/BOASF on tenant improvements between \$20/BOASF and \$40/BOASF, as allocated on the Attachment to Form 1364. Such fees will be paid for out of the T/I Allowance.
- g) The HVAC Overtime rate shall be \$68.50 per hour.
- h) The Construction Schedule for tenant improvements attached to this lease shall be modified, as it pertains to the 1st, 6th and 8th floors as shown on the attached construction schedule, attached hereto.
- schedule milestones established in the approved construction schedule, such shall constitute "Delay." Delay caused by either party may be offset by the early completion of that party's other responsibilities within the Project Schedule for that particular stage. The absolute value of the number of days of Government delay (Gd) minus the number of days of Lessor delay (Ld) shall equal the total number of days of Delay (D) in a given stage (Gd_Ld=D). Delay shall be attributed to the party having caused the greatest number of days of Delay in such Stage and shall be termed either "Lessor Delay" or "Government Delay" as appropriate. Remedies for Delay will be as provided for in SFO 3.14(c). The commencement date of this lease shall be a composite of the dates upon which the Government accepts the 1st, 6th and 8th floors as substantially complete (See GSA Form 3517b, General Clauses, Item 12)
- j) The Government shall have the right to install, at its own expense, a 2-meter dish-type antenna on the roof of the building. Should the Government exercise this right, the amount of space, antenna type and annual rental shall be recorded in an SI A.
- 7. The following are attached and made a part hereof:
 - Solicitation For Offers (SFO) # 04-035, 38 pages

2. Amendment #1 to SFO # 04-035, 3 pages

- 3. Solicitation Attachment #1, Rate Structure, 7 pages
- 4. Solicitation Attachment #2, Construction Schedule, as modified and attached hereto
- 5. Solicitation Attachment #3, Scope of Work for DID's and Construction Schedule Tasks, 2 pages
- 6. Solicitation Attachment #4, Fire Protection & Life Safety Evaluation, 16 pages
- 7. GSA Form 1217, Lessor's Annual Cost Statement, 1 page
- 8. GSA Form 1364, Proposal To Lease Space, and its attachment, 3 pages total
- 9. GSA Form 3517b, General Clauses, 28 pages
- 10. GSA Form 3518, Representations and Certifications, 4 pages
- 11. Floor Plan of Leased Area, 3 pages

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written. **SEE SIGNATURE BLOCK ON FOLLOWING PAGE.**

LESSOR GOV'T

SIGNATURE BLOCK:	
LESSOR: VA-1616 NORTH FT. MYER, L.L.C., a Delaware limited liability company	
By: Equity Office Management, L.L.C., a Delaware limited liability company, its non-member manager BY	
(b) (6) Greg Meyer, Vice President	
IN PRESENCE OF ADDRESS 1120 20 th Street, NW, Ste. 500 S, Washington, D	OC 20036
UNITED STATES OF AMERICA	
(b) (6) CONTRACTING OFFICER CSA NCR	

STANDARD FORM 2 FEBRUARY 1965 EDITION

EXCEPTION TO SF2 APPROVED Revised 7/18/2005

M